



Speech by

Miss FIONA SIMPSON

MEMBER FOR MAROOCHYDORE

Hansard 31 May 2001

WINE INDUSTRY AMENDMENT BILL

Miss SIMPSON (Maroochydore—NPA) (4.38 p.m.): The coalition will be supporting the Wine Industry Amendment Bill. This legislation is important for a number of reasons; firstly, to implement the proposals arising from the national competition policy review of the Wine Industry Act 1994 and, most importantly, to further develop the wine industry in this state from a tourism potential perspective.

The August 1999 report on the review of the Wine Industry Act by the national competition policy wine industry review panel is certainly worth reading, and I recommend that to members of the House. It provides a very interesting historical background to the development of the industry and certainly the potential of the industry.

In the past five years the industry has gone from fewer than 30 wineries selling at the cellar door to now about 70 wineries selling at the cellar door, and exports have flourished. Certainly our wine industry may still be small in volume terms compared to the rest of Australia, but this is a potential export market. It is certainly a terrific tourism opportunity and a way for primary producers to diversify. I understand there has been an increase from about 618 tonnes of winemaking grapes in 1996 to about 2,018 tonnes last year. So there has been a significant increase over a relatively short period.

As I understand it, most of the other states have a system that sets benchmarks in relation to the quality of wine being produced and sold. This issue has been debated in this state as well. Certainly, the industry is to be encouraged to look for ways to continue to improve upon its excellent results in developing a very distinct Queensland wine industry. Let us hope that this legislation will now see a greater acceptance of Queensland wines and a maturing of the industry.

The most significant aspect of this legislation is the creation of a new wine merchant licence, which recognises that there are activities other than traditional winemaking, which can add value to the Queensland wine industry but which have previously not been allowed to take place. Eligibility for a wine merchant licence requires a business to contribute to the Queensland wine industry in a substantial way. What constitutes a substantial contribution is outlined extensively in the bill in clause 5. For example, the legislation provides that a person's business will contribute in a substantial way if that person buys fruit in the state to make wine or to have wine made under their direction, or grows fruit in the state that will later be used to make wine but, until that time, buys fruit to make wine, or blends in the state different wines to create a unique wine. This bill outlines that the definition of 'substantial contribution' will not extend to people buying bulk wine from outside the state and bottling it here or selling only wine made and bottled by other persons.

These new provisions have generally been well received, although I understand that if an existing wine producer had invested heavily in their business over the years, the criteria have certainly changed and that may mean that we were creating a different playing field. However, it is recognised that the horse has really bolted in many regards and that the legislative guidelines have to be brought up to date to cater for those who want to maintain the development of this industry.

With the creation of the new wine merchant licence, there is the potential for an influx of new people into the industry. Certainly, there will be an ongoing need to develop the training for and quality of new people as they come into the industry to ensure that it continues to make the great leaps that it has in the past.

Growing grapes is the harder and more risky part of a winemaking operation owing to the husbandry required in terms of labour, time, the risk from the vicissitudes of the weather, pests and diseases incurred in establishing a vineyard and growing and harvesting the grape. The amount of risk that a grower carries is far greater than that carried by someone who was to purchase the grapes from somebody else to make wine. This legislation must ensure that there continue to be incentives for those who seek to have a long-term future in the industry and who seek to grow and create the vineyards that will be the heart of this industry.

I acknowledge that the Queensland Wine Project—an initiative of the Department of State Development and begun in 1997—has now seen something like \$50 million being generated and invested in the industry. However, the minister may like to assure the House that projects such as this and this sort of support will continue, as it is vitally important to the development of the wine industry—not only for our export markets but also for the tourism industry and the potential growth of this area.

It is important that the wine industry in Queensland receives the very best advice in relation to the exploration of new markets, technical excellence and management techniques. The Queensland wine industry has proved that, although still in its infancy, it has enormous potential—potential for economic development for this state and potential for adding to the already successful tourism industry that we value so dearly and rely on so heavily. It is noted that, in the development of our flourishing tourism industry, the wine industry goes hand in hand with the development of the food industry. It enables us to market value-added local produce as a tourist attraction. The continued development of the regional food and wine industry is absolutely vital.

We hope that this legislation will be the catalyst for the expansion of the industry. I acknowledge that in the minister's second reading speech she outlined that, until now, licensees were able to supplement their licences under the Wine Industry Act with a limited licence under the Liquor Act. This enabled them to sell wine other than their own, although the sale of their own wine remained the primary focus of the business. This legislation is going further in that process. It intends to make it easier for that to take place. It acknowledges that they have a primary licence, and this will be a complementary part of their primary licence, but the blending provisions are also being removed from the act.

I have been asked by winemakers, winegrowers and winesellers about what will happen to the labelling provisions. The minister has given an assurance that the labelling provisions will remain. This will be very important for promoting a very distinct product and helping to continue the development of a very distinct and high-quality product in Queensland.

I thank the minister's staff and the department for their briefing in this regard. We certainly support the continued development of this industry and hope that this legislation will help in that process. We will be asking some questions at the committee stage in regard to some of the definitions and the application of the bill in practice. However, we support this legislation.
